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RUEHNY/AMEMBASSY OSLO 0265
RUEHKO/AMEMBASSY TOKYO 2811
RUEHCI/AMCONSUL CALCUTTA 1930
RUEHCG/AMCONSUL CHENNAI 1759
RUEHKP/AMCONSUL KARACHI 2463
RUEHLH/AMCONSUL LAHORE 2153
RUEHBI/AMCONSUL MUMBAI 0986
RUEHPW/AMCONSUL PESHAWAR 2835
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RUCPDOG/DEPT OF COMMERCE WASHDC
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RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 05 NEW DELHI 001396

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TAGS: [PREL](#) [ENRG](#) [KNNP](#) [OVIP](#) [CVIS](#) [EINV](#) [ENLT](#) [KFLU](#) [TBIO](#)
TRGY, TSPA, KDEM, KHIV, EAID, EAGR, IN
SUBJECT: POSITIVE BURNS-SHARMA FEBRUARY 24 MEETING FOCUSES
POTUS VISIT, CIVIL NUCLEAR, DEMOCRACY AND HEALTH

REF: A. NEW DELHI 1364
[1](#)B. NEW DELHI 1273

Classified By: Ambassador David Mulford for Reasons 1.4 (B, D)

[1](#)1. (C) Summary: The February 24 meeting between Under Secretary for Political Affairs Burns and Indian Minister of

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State for External Affairs Anand Sharma reflected important GOI political endorsement of the positive direction of our bilateral relationship. Sharma, well-versed in the web of July 18 initiatives, was supportive and in some cases forward-leaning on topics including the civil nuclear arrangement, democracy promotion, and HIV/AIDS and Avian Influenza assistance. He was clearly appreciative of past USG assistance to India, and he will be a useful and necessary ally in winning over what he terms "ill-informed and not-informed" Indian critics. He candidly acknowledged the challenges of "old mindsets" among the GOI's nuclear establishment. End Summary.

Looking Forward to Presidential Visit

12. (C) Sharma opened by underlining the symbolic importance of the upcoming POTUS visit as a demonstration of deepening US-India engagement. Both the GOI and the Congress Party want a successful visit that will carry forward in a tangible way the July 18 agreement and further consolidate bilateral relations across a spectrum of issues, including (but not exclusively) nuclear energy, he said. U/S Burns recalled his conversation with PM Singh the previous night, in which the PM called the POTUS visit the culmination of an "historic reconciliation and concord"; U/S Burns added that the path is being cleared for US-India relations to finally reach their full potential. Sharma took note of the intense bilateral interaction leading up to the visit that would "cover all the topics we could not achieve before." "It will be an opportunity for India to show our sincerity," he concluded.

13. (C) Ambassador Mulford drew Sharma's attention to the February 22 POTUS speech to the Asia Society to underscore the very detailed attention the President attaches to economic issues in his explanation of why US-India relations are so critical. Sharma responded that POTUS and the PM focused on "the right issues," including the Agricultural Knowledge Initiative (which he called a major accomplishment), the S&T Commission, and space launch cooperation. He added that India greatly appreciates the invitation to participate in FutureGen to help address India's growing need for clean energy.

Outreach to India's Nuclear/Scientific Community

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14. (C) Sharma turned to domestic criticism of the civil nuclear deal lodged by Indian scientists. Indian nuclear scientists (and those in related fields) have been shunned by their international colleagues for 35 years and have been living in "their own zone, isolated," and they need "reassurances," he said. U/S Burns remarked that he and Foreign Secretary Saran had spent hundreds of hours to get just beyond 90% of the way to concluding the civil nuclear arrangement, but as with many things, the last little bit is the most difficult. The USG needs further clarity on India's separation plan, inter alia, how power and breeder reactors will be treated. Once we have an agreement, the isolation of India's scientists will be firmly in the past, and they will be welcomed into the international mainstream. U/S Burns reminded Sharma of India's potential role in the Global Nuclear Energy Partnership, and encouraged India to be part of that project at the ground floor. To be eligible, however, India's breeder reactors should be safeguarded. Otherwise it would be difficult for Delhi's nuclear establishment to collaborate with scientists from GNEP participants on advanced reactor technology.

15. (C) Sharma told U/S Burns the scientists are a proud group given the hurdles they overcame to build India's nuclear deterrent, and the Indian people are proud of them. Once they are integrated into the global scientific community, they will be in a position to share their knowledge and expertise in a larger partnership, which will help reduce the criticism some of their number voice about the proposed nuclear deal. "Both sides need to break down the old mindsets," Sharma offered. He suggested both Delhi and Washington need to keep pushing to inform their citizens of the realities behind the nuclear arrangement, to avoid the message being crowded out by the criticism of "the ill-informed and the not-informed."

16. (C) Elaborating on this sense of pride among the Indian scientific community, Sharma raised the much-publicized cases of three scientists whose visas to visit the US were delayed by the Mantis requirement, calling this "unnecessary bad publicity." (NOTE: The two Ref B scientists have subsequently had their visa applications approved, the third

case is pending. End Note.)

Sharma Aware of Necessary Congressional, NSG Action

¶7. (C) Sharma, mindful that the nuclear arrangement would require Congressional approval by amending US proliferation legislation, expressed his hope that a successful US-India nuclear deal would lead to swift easing of Indian access to technology from other NSG states after the next NSG meeting in May. U/S Burns replied that the USG is willing to go to Congress, but Members understandably will not commit to

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supporting the separation plan until they see it for themselves. A plan that placed only the bare minimum of facilities under safeguards would face a harder time garnering support than a plan that included more facilities in the civil sector, both with Congress and the NSG.

The Broader Agenda

¶8. (C) Sharma complained that the Indian press is hyping the nuclear discussions to the exclusion of the host of other bilateral interactions on the table. "We need to cool the media a bit," he suggested. U/S Burns responded that the broad outlines of the July 28 agreement -- encompassing energy, S&T, space launch cooperation, education, agriculture, health, and more -- demonstrate the USG's commitment of time, resources, and priority to the US-India relationship. Ambassador Mulford pointed out that India's 80,000 students attending US schools outpaces even China's 62,000.

¶9. (C) Ambassador Mulford told Sharma the proposal for a US Consulate in Hyderabad had been cleared within the USG, which Sharma called "a very good message." Sharma was also encouraged to hear that new regulations allowed student visas to be processed faster and issued with greater lead-time for Indian students to settle in to US campuses before their academics begin.

Brainstorming on Democracy Promotion

¶10. (C) U/S Burns reminded Sharma that Washington and New Delhi were the first two contributors to the UN Democracy Fund, but the Fund still lacked a well identified, central unifying theme. Democracy promotion should be a central theme for the POTUS visit, he continued, asking if the GOI would consider starting its own project, possibly under the auspices of the Rajiv Gandhi Foundation or a similarly well-regarded NGO with appropriate experience. Another option is participating in another multilateral effort such as the BMENA Fund for the Future. Sharma thoughtfully responded that he would consider the suggestion and discuss the possibility with Congress Party President Sonia Gandhi. He nodded in agreement as U/S Burns recommended that an Indian NGO could operate in places a US NGO could not, for example, monitoring elections or helping democratic groups grow in Iran. U/S Burns then shared with Sharma the non-paper entitled "US India Global Democracy Initiative," which Sharma said he would review and consider.

¶11. (C) Sharma replied that the two largest democracies could do "good work" if we combined and coordinated efforts. Ambassador Mulford underlined the symbolic value of such

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cooperation would be more impressive than our individual democracy promotion endeavors taken alone. U/S Burns emphasized the depth of the President's commitment to democracy promotion.

Need for FDI for Infrastructure

¶12. (C) Sharma underlined India's need for foreign investment to upgrade and expand the country's infrastructure. He pointed to a Federation of Indian Chambers of Commerce and Industry/Confederation of Indian Industry (FICCI/CII) study that predicted a full revamp of the nation's infrastructure would be a 10-year, \$1 trillion undertaking. This massive expansion is necessary to ensure 10% annual economic growth, the extension of essential infrastructure to India's villages and underdeveloped areas, and building mass transit systems in India's major metro areas, Sharma explained.

HIV/AIDS and Avian Influenza

¶13. (C) Sharma thanked U/S Burns for USG assistance with HIV/AIDS programs in India, and remarked that the GOI does not know yet what it needs with regard to the recent outbreak in India of Avian Influenza (Ref A and subsequent). Ambassador Mulford told Sharma an initial shipment of Avian Influenza test kits (courtesy of CDC) that reduce the turnaround time for testing from three days to three hours would arrive in Delhi on February 26 and be transferred to the GOI the following day. This would reduce the uncertainty, anxiety, and speculation fostered by tests that take longer to yield results, the Ambassador continued. Sharma suggested the Embassy publicize this assistance; Ambassador Mulford deferred any decision to publicize to the GOI.

¶14. (C) Senior NSC Director John Rood noted that Avian Influenza is a significant opportunity for bilateral cooperation, including safeguards and disease surveillance. Ambassador Mulford underscored that combating this outbreak requires close cooperation between the Health and Agriculture Ministries, and that tourism bookings are already dropping off because of the uncertainty surrounding the outbreak, including an inaccurate Indian press report that human-human transmission had already occurred. U/S Burns also noted that India would host two conferences on Avian Influenza, which would also help.

Comment: Good Vibes from a Necessary Ally

¶15. (C) The breadth of this discussion was matched only by

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Sharma's enthusiasm; his vigorous support is good news for us. With the PM retaining the Foreign Affairs portfolio in the current Cabinet, Sharma is the senior political actor in the MEA, and his advocacy will be key to driving the stiffer and less yielding bureaucracy. The optimistic and forward-leaning conversation reflects the positive atmospherics surrounding the POTUS visit, the nuclear agreement, and expanding US-India relations writ large, at the political level. End Comment.

¶16. (U) GOI Delegation
Minister of State for External Affairs Anand Sharma
MEA Director (Americas) Gaitri Kumar (notetaker)

¶17. (U) USG Delegation
U/S Burns
Ambassador Mulford
NSC Senior Director John Rood
P Senior Adviser Ashley Tellis
PolCouns Geoff Pyatt
SA/RA Director John Schlosser
Poloff Howard Madnick (notetaker)

¶18. (U) This cable was cleared by U/S Burns.

